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Legislation aids students

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IMMEDIATELY

LEGISLATION AIDS STUDENTS

/jg
10/17/78
dailies

MISSOULA--

Every Montana college student will be eligible for a deferred interest loan of \$2,500 per year, regardless of the income of his family, under legislation which passed Congress this weekend.

University of Montana and Montana State University Directors of Financial Aid, Don Mullen and James Craig, credited Montana Congressman Max Baucus for his work to secure passage of the legislation, which overhauls student financial aid programs.

"Max Baucus worked very hard on this, and families at all income levels will benefit," Mullen stated. "Every Montana family who has or may have a student in college should save substantially because of this legislation."

The two big changes in the legislation are in loans and work/study. First, every student, regardless of family income, will be eligible for a \$2,500 federally guaranteed bank loan each year. The government will pay the interest as long as a student is in school.

This was presented to Congress as an alternative to tuition tax credits, and the loan interest payment subsidy amounts to giving students benefits four times higher than proposed tuition tax credits while saving millions of dollars in implementation.

The second major change is in work/study. Work/study provides jobs for students by putting them to work painting local schools, cleaning up city parks, and helping other state and local governments. This occurs where the local government cannot afford to have the work done otherwise. The legislation authorizes increases from \$237 million to \$520 million for this program.

"Work/study is one of our best approaches of helping students," MSU's Craig stated. "I remember when Congressman Baucus pushed a State Work/Study program through the legislature, and we have been pushing for State funding since then. The increase in the federal program to the extent that it is backed by future appropriations, will mean jobs so students can earn their way through while doing some real public service without taking jobs away from the private sector."

Finally, changes were made in both the Basic Opportunity Grant Program and the Supplemental Grant Program. These changes will make a typical student whose family of four has an income of up to \$25,000 eligible for a \$250 grant. Craig said this should roughly double the number of students getting these grants.

Commissioner of Higher Education Lawrence K. Pettit noted that the university system has been working to promote this kind of aid directly to students and to public education institutions. "We want to get the most efficient use out of every dollar that is put into higher education," Pettit stated. "This program, by cutting out red tape on loans and by creating student jobs which don't compete with the private sector, will certainly stretch our Higher Education dollars. It's a needed shot in the arm for Montana Higher Education."

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